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# HOUSE BILL No. 1222

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-17-20.

**Synopsis:** Budgets and levies of appointed bodies. Requires an elected fiscal body to review and approve the proposed budget and tax levy of an appointed governing body of a taxing unit, including school corporations and public library districts, upon a petition by real property owners. Permits review of a proposed budget and tax levy that is less than 5% of the prior year's levy. Permits the reduction of a proposed tax levy to an amount that is less than the maximum permissible levy increase.

**Effective:** Upon passage.

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## Adams, Munson, Kersey

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January 10, 2002, read first time and referred to Committee on Local Government.

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Introduced

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## HOUSE BILL No. 1222

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-1.1-17-20 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) This section  
3 applies

4 (1) to each governing body of a taxing unit that is not comprised  
5 of a majority of officials who are elected to serve on the  
6 governing body. and

7 (2) if the proposed property tax levy for the taxing unit for the  
8 ensuing calendar year is more than five percent (5%) greater than  
9 the property tax levy for the taxing unit for the current calendar  
10 year.

11 (b) As used in this section, "taxing unit" has the meaning set forth  
12 in IC 6-1.1-1-21, except that the term does not include a school  
13 corporation or a public library district.

14 (b) A qualified petitioner may file a petition stating that the  
15 taxing unit's proposed budget and property tax levy should be  
16 submitted for review and adoption under this section. The petition  
17 must be filed with the governing body before August 1 for the

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1 budget and property tax levy proposed for the following year.  
 2 Before filing the petition with the governing body, at least one (1)  
 3 qualified petitioner must verify each petition under oath in a  
 4 manner prescribed by the state board of accounts. If a petition is  
 5 filed by the lesser of:

6 (1) two hundred fifty (250) owners of real property within the  
 7 taxing unit; or

8 (2) ten percent (10%) of the owners of real property within  
 9 the taxing unit;

10 as determined by the county auditor, the appropriate elected fiscal  
 11 body (as determined by subsection (c) or (d)) shall review and  
 12 adopt the proposed budget and property tax levy. The fiscal body  
 13 may reduce or modify but not increase the proposed budget or  
 14 property tax levy.

15 (c) If:

16 (1) the assessed valuation of a taxing unit is entirely contained  
 17 within a city or town; or

18 (2) the assessed valuation of a taxing unit is not entirely contained  
 19 within a city or town but the taxing unit was originally established  
 20 by the city or town;

21 the governing body shall submit its proposed budget and property tax  
 22 levy to the city or town fiscal body. The proposed budget and **property**  
 23 **tax** levy shall be submitted at least fourteen (14) days before the city  
 24 or town fiscal body is required to hold budget approval hearings under  
 25 this chapter.

26 (d) If subsection (c) does not apply, the governing body of the taxing  
 27 unit shall submit its proposed budget and property tax levy to the  
 28 county fiscal body in the county where the taxing unit has the most  
 29 assessed valuation. The proposed budget and **property tax** levy shall  
 30 be submitted at least fourteen (14) days before the county fiscal body  
 31 is required to hold budget approval hearings under this chapter.

32 (e) The fiscal body of the city, town, or county (whichever applies)  
 33 shall review each budget and proposed **property** tax levy and adopt a  
 34 final budget and **property** tax levy for the taxing unit. The fiscal body  
 35 may reduce or modify but not increase the proposed budget or  
 36 **property** tax levy. ~~However, the fiscal body may not reduce the~~  
 37 ~~proposed tax levy to an amount that is less than the maximum~~  
 38 ~~permissible levy under IC 6-1.1-18.5-3.~~

39 SECTION 2. An emergency is declared for this act.



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